

PARTIAL TRANSCRIPTION - ORIGINAL FOLLOWS

3. This year again the policy review for the U.S. Mission in Afghanistan was kicked off by a study by a group of junior and middle-grade officers representing all elements of the Mission. That study was then extensively discussed with the group by the full Country Team. The following is a summary of the views which emerged in this year's review together with my conclusions.

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EXCISE

AIRGRAM

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HANDLING INDICATOR

TO : Department of State

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FROM : Amembassy Kabul

DATE: February 27, 1978

SUBJECT: 1978 Annual Policy Assessment -- Part II
 Approaches to Achieving Our Goals and Objectives

REF : A. Kabul 1494 B. Kabul 0413 C. 77 State 291277
 D. 77 Kabul 2144 and 2145 E. 77 Kabul 0468

A. SUMMARY: 1. This message presents Part II of this Mission's 1978 Annual Policy Assessment. It discusses the approaches we are taking to our proposed goals and objectives and how we fared under last year's similar ones. The assessment also explores two policy issues of major concern: that of Presidential succession; and narcotics.

2. Seven overall goals and 18 specific objectives determine our policies toward Afghanistan. The consensus of the U. S. Mission in Kabul is that these are reasonable and appropriate. With the exception of our economic aid levels and Embassy staffing to handle trade promotion, we consider present resources adequate to meet our aims.

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6. What are the answers to these criticisms? First, the AID Mission is currently framing its strategy. My hope is that it will be able to develop programs in health and education, and in due course in agriculture, which will be based on broad sectoral approaches, will attract the necessary Afghan commitments and will enable AID greatly to expand its assistance levels here over the next few years. Secondly, it is my hope that the existing and planned projects which are not only developmentally sound but also politically visible (e.g., university dormitory for rural women, Helmand project) will be sustained. As for the Peace Corps, we will be striving to expand the small beginnings made in recent months to inject Peace Corps Volunteers back into rural areas and into health programs. We will also be trying to limit Peace Corps programs in Kabul to those which train Afghans who will participate in meeting the basic human needs of their fellow citizens. But nobody should think that there will be smooth sledding for

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majority view which I share was that while the Soviets are relaxed about the present situation, they might decide, particularly if they perceive threats to their interests, or if opportunities should arise in the wake of Daoud's departure from the scene, to try to expand their influence here. If this were to occur, this would threaten regional stability and hence our interests. At the same time, there was general agreement that our programs in Afghanistan should be designed to meet our own objectives and not to respond to Soviet current or potential moves. All U. S. programs in Afghanistan, it was concluded, assist the maintenance of Afghan independence to one degree or another.

5. Afghan economic and social development. Our liveliest discussion concerned our AID and Peace Corps programs. While it was generally agreed that these programs should be designed to meet basic human needs, there was considerable criticism that they are not now doing so because of the inability of the Afghan Government to administer projects which are suitable for us to assist. Our AID levels, for example, have been steadily declining since the "new look" of the 1973 Foreign Assistance Act. As for the Peace Corps, Afghan Government policy has virtually eliminated volunteers from rural sites. A final consideration expressed was that the AID program not only is declining in terms of actual assistance being provided, but is also becoming less and less valuable from a political standpoint as AID's projects are generally small in scope and in more remote areas of the country.

6. What are the answers to these criticisms? First, the AID Mission is currently framing its strategy. My hope is that it will be able to develop programs in health and education, and in due course in agriculture, which will be based on broad sectoral approaches, will attract the necessary Afghan commitments and will enable AID greatly to expand its assistance levels here over the next few years. Secondly, it is my hope that the existing and planned projects which are not only developmentally sound but also politically visible (e.g., university dormitory for rural women, Helmand project) will be sustained. As for the Peace Corps, we will be striving to expand the small beginnings made in recent months to inject Peace Corps Volunteers back into rural areas and into health programs. We will also be trying to limit Peace Corps programs in Kabul to those which train Afghans who will participate in meeting the basic human needs of their fellow citizens. But nobody should think that there will be smooth sledding for

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8. Human rights. All of us here agree that we must keep the Afghans aware of our commitment to human rights. In fact, I believe one argument which is useful in a country like this is that to the extent there can be a freer expression of views within the society, the prospects for development are enhanced. We have established a "human rights council" in the Mission which will examine the human rights situation in Afghanistan and also specific projects we might undertake to improve the situation. While on the one hand, the human rights situation here is not truly bad, it is fair to say that the Daoud regime is a tightly run dictatorship. But it is also fair to say that in this traditional society, which has no democratic experience and which is split along many tribal and ethnic lines, full recognition of human rights as we understand them is a long way off. Moreover, the human rights that are most important to Afghans at this stage of their development are those involving basic economic, educational and health needs -- fields in which we can be of help.

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either the AID or Peace Corps programs here for a long time to come. The shortage of administrative skills and systems in the country will continue to hamper our best efforts.

7. Narcotics. The basic question raised in our discussion of narcotics programs here was how far we should push the Government of Afghanistan in the light of our other objectives. It was generally agreed that our anti-trafficking and poppy eradication programs will take a long time to show much success. The question is what sanctions in terms of other programs should we be prepared to invoke. For example, one of our AID projects has been slowed because of Afghan concerns on related anti-poppy agreements -- and a second may potentially be affected by the sighting of opium poppies in the project area (this is now the subject of correspondence between USAID and GOA). My own view is that we must pursue with imagination and energy all possible avenues to lessen the threat of Afghan opium to our own country. Moreover, in my view, AID must not undertake any program here which would in any way promote poppy cultivation. But at the same time, we must realize that the political, social and economic obstacles in Afghanistan to rapid progress in eliminating opium cultivation are immense and will take many years to overcome. We will have to temper our determination with patience and remember that our ability to influence the Afghans in this area depends to a very large degree on our ability to convince them that we care about their basic national interests: their independence and their economic development.

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1. In fashioning its goals and objectives, the Mission took its task seriously. From mid-December to early February, a Policy Review Committee of middle-grade and junior officers, representing virtually all components of the Mission, studied the subject and submitted to the Country Team three sets of papers. These covered the topics of: what our 1978 goals and objectives should be; how we fared under last year's set of objectives; and how we should go about implementing our new objectives. The Group's papers were then discussed in depth at four sessions of the Country Team, with the Policy Review Group present to defend its views. The results are in this message. (The Policy Review Group's papers are being pouched separately, in Kabul A-13 as being possibly of interest to some Department elements.)

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9. Other. There was little debate on our USIS programs, and I must say that I am pleased with the level and expertise of our USIS programs here in terms of the assist they give our other objectives in Afghanistan. Regarding Afghan attitudes in international fora, we agreed that there has been progress on multilateral issues of great concern to us such as Guam and Puerto Rico. We cannot expect Afghanistan to diverge significantly from its fellow non-aligned, Moslem, less-developed and landlocked colleagues in these fora. (At best, they might be convinced to abstain in our behalf.) Finally, we agreed that we have not been as successful as we would like in promoting American exports to Afghanistan. We like to think that these shortcomings spring from circumstances inherent in the Afghan scene and not from any lack of trying on our part. We will, nevertheless, try harder.

10. In conclusion, we have plenty of difficulties facing our programs here, but we think we are on the right track. But lest anyone think that is a self-congratulatory posture, it should be remembered that this is a fragile country both politically and economically. While Daoud is in power, we should continue to see progress in areas important to us. After Daoud, perhaps the deluge and certainly ever more need for us to exhibit firm adherence to our objectives and flexibility in the ways we try to achieve them. END SUMMARY.

B. INTRODUCTION: Part 1 of our 1978 Annual Policy Assessment was submitted in ref tel B. The goals and objectives proposed therein have not, as of this date, been confirmed by the Department, but the submission contained nothing controversial and was, in its essentials, similar to last year's list. The discussion which follows is based on our proposed new set of goals and objectives.

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1. The Succession Question. Although Mohammad Daoud's term of office has five years to run, the President is 69 years old, the political institutions he has created are only tenuously established, and growing impatience and dissatisfaction exist over the slow pace of progress. It is thus moot whether Daoud will finish his term. The recently appointed Vice President, Syed Abdulilah (also Minister of Finance) is widely disliked and has almost no personal power base. As for the other members of Daoud's handpicked Central Council of the Party of the National Revolution (the sole legal political party), none stands out as an obvious lasting successor.

The possibility exists, therefore, that within the next two years Daoud could pass from the scene (from natural or political causes) leaving in his wake a bitter succession struggle. In

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C. RESOURCES: Our resources to try to fulfill our objectives are adequate -- excepting in USAID levels, and in personnel to handle trade promotion and narcotics. (A new narcotics position has reportedly been approved but official notice of this has not been received.) Annual USG obligations in Afghanistan approach \$30 million, of which two-thirds are AID economic development grants. The main components of our spending are:

	<u>FY 1977 Obligations</u>
-- USAID grants and PL 480 loans	\$20,000,000
-- USAID operational budget	5,000,000
-- Embassy operations	1,362,500
-- USIS related programs	474,000
-- Peace Corps	453,000
-- Military: Training program	210,000
Operations budget	371,000
-- Other	<u>501,000</u>
Total	\$28,371,500

Total Mission employees, as of February 1, 1978, were 516, of whom 106 were Peace Corps; 142 other American employees; and 268 local employees.

D. KEY POLICY ISSUES: Two concerns are central to our interests in Afghanistan.

1. The Succession Question. Although Mohammad Daoud's term of office has five years to run, the President is 69 years old, the political institutions he has created are only tenuously established, and growing impatience and dissatisfaction exist over the slow pace of progress. It is thus moot whether Daoud will finish his term. The recently appointed Vice President, Syed Abdulilah (also Minister of Finance) is widely disliked and has almost no personal power base. As for the other members of Daoud's handpicked Central Council of the Party of the National Revolution (the sole legal political party), none stands out as an obvious lasting successor.

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E. GOALS AND OBJECTIVES:

GOAL I -- The preservation of an independent Afghanistan, willing and able to impose limitations on Soviet influence.

Past Performance: Preserving an independent Afghanistan has been the centerpiece of American policy toward this country, and it has been supported, in one form or another, in every

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such a situation, the danger exists that the Soviet Union might intervene to back a candidate of its liking. In any succession struggle, the Afghan military would be the key element. Although the military is 100 percent dependent on the Soviet Union and Czechoslovakia for arms and most training, the upper echelons of the military are firmly nationalistic. The chances are thus probably better than even that in any power vacuum, a military-backed successor would be quickly chosen -- to preclude turmoil and Soviet interference.

In short, the political fabric of Afghanistan is fragile. Change could occur suddenly -- and bloodily -- and the U. S. could well face difficult decisions as to how it should legitimately respond.

2. Narcotics. No area of U. S. interests in Afghanistan is more fraught with difficulties. No domestic pressure exists on the Afghan Government to eliminate illicit production and trafficking. On the contrary, any serious non-gradual effort to eliminate production could risk a political backlash in certain sensitive regions, threatening internal security. Sensitive to these realities, the Government acts only in response to external pressures, largely from the U. S. and UN, and has linked any major curtailment of poppy cultivation to foreign-financed crop and income substitution programs.

It will thus take years, if not decades, to eliminate poppies in Afghanistan, and we may never totally achieve our objective. The financial burden on the West also could be staggering. While we must prod, cajole and give aid to the Afghans, we must be careful not to do so to the point that our pressures become counter-productive and to the detriment of all our other interests in this country.

At present, our resources to handle our narcotics responsibilities are inadequate. A full-time ESO is badly needed to handle this function, and we understand our request for help has been approved by the Department, although to date no formal word has been received.

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Notwithstanding the large Soviet presence here (perhaps 3,000 nationals in country and 950 Afghans studying in communist countries), a strong and active non-Soviet presence also exists.

Objective A: To expand modestly our small military assistance program, under which heretofore some 15 Afghan Army and Air Force officers have gone to the U. S. annually for training.

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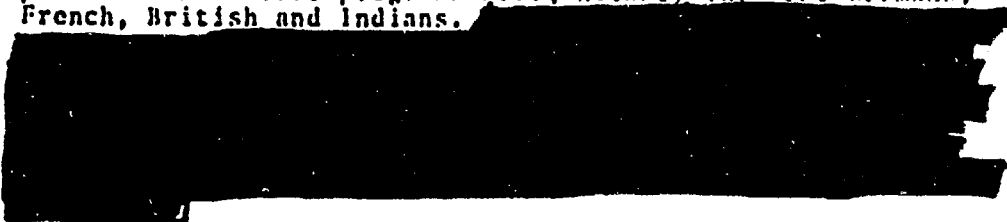
U. S. policy assessment since probably World War II.

In general, the objective was attained during 1977. Afghanistan remained independent, ^{and} Moscow did not enlarge its position here. How much credit for this can be given to U. S. policies and programs is difficult, if not impossible, to ascertain.

Significantly, our goal has been shared by the Afghan Government itself, and this has provided us with the greatest assurance that this goal will be sustained. Soviet influence, nevertheless, remains strong in certain areas, such as in military supply, economic aid, and trade. But efforts by the Soviets to enlarge their position, such as by establishing a model high school and a USIS-type cultural center, and expanding circulation of Soviet films and publications have been parried, and Moscow's local political sympathizers (notably the small Khalq communist party) did not increase their influence appreciably. So far, the Afghans have been successful at milking the Soviet cow, for economic and military aid on concessional terms, without in turn being gored.

The entire U. S. presence here serves this U. S. (and Afghan) goal, especially our modest but now expanded military training program, and our USIS and economic aid activities. The visits of Senator Scott (Virginia) and Admiral Weisner (CINCPAC) to Kabul, and President Carter's invitation to Daoud to visit the U. S. all contributed towards the goal.

The U. S., among foreign countries, is not alone in this endeavor. A number of our allies and friends have a prominent presence and useful programs here, notably the West Germans, French, British and Indians. (b)(1)(5)



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Comment: This is a worthy objective but difficult for the U. S. to implement. Most of our programs -- certainly our USIS, military and AID participant training programs -- contribute to this end -- but indirectly. It is Mission consensus that we stand a better chance to achieve this objective by such indirect means than by direct mention.

It is also the judgment of the Mission that it would be unwise, if not dangerous, for the U. S. ever to be perceived as "propping up" the Daoud regime. Our support and programs should be seen by Afghans as benefitting the public at large and not as bolstering a particular government, especially one for which there may be growing dissatisfaction. So far, we think we have succeeded in this course.

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Comment: The Mission believes this program bears directly on the "Soviet limiting" aspects of Goal I, and that its relatively low cost (\$525,000 in FY 78) merits its continuation, even though its eventual impact cannot be precisely measured.

Since 1957, some 316 Afghan Army and Air Force officers have trained in the U. S., some of them repeaters. Until this year, the number going was about 15 a year, but this year the program was expanded to allow 30. Presently, four Afghan Generals with U. S. training, and many Colonels, occupy important positions in the National Defense Ministry.

Besides the U. S., the French, British, and Indians also have small training programs for Afghans in their countries.

The Soviets, by contrast, have for the last 15 or so years, annually trained some 300 plus, non-commissioned and lower ranking officers in the USSR, mostly on operating and maintaining Soviet equipment. How many of the estimated more than 4,000 so trained have been indoctrinated more than 4,000 of some infiltration exists, however, and is a source of worry, not only to us, but to senior Afghan officers and civilian officials -- and to Daoud himself.

Finally, although Kabul's refel A ranked this objective first under this goal, the Mission subsequently decided it more appropriately stood last. The military assistance program, though important, is a limited objective compared to the broader ones discussed below.

Objective B: To encourage Afghanistan to build a viable and enduring political system which is responsive to the needs of the people and has solid public support.

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Past Performance: The year 1977 saw great improvement in Afghan-Pakistan ties, with Afghanistan refraining from interfering in Pakistan's troubled domestic political situation, such as whipping up the Pushtanistan issue. The visits to Kabul of Prime Minister Bhutto and Chief Martial Law Administrator, General Zia, contributed to the better atmosphere, but more significant from Afghan point of view were the subsequent release by General Zia of imprisoned Pushtu and Baluch leaders and their reentry into the Pakistan body politic.

In all this rapprochement, the U. S. played a marginal role. When opportunities presented, this Mission (like Embassy

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Very important for U. S. interests in Afghanistan and the region is that there be internal political stability and a smooth post-Daoud transition. This stability can best be maintained by a government which is perceived by the public as achieving progress -- politically, economically, and socially. Our various programs encourage this end.

Objective C: To promote the development of stronger regional ties, especially with Iran, Pakistan, India, Turkey, and the Persian Gulf States.

Past Performance: The past year has seen a notable improvement in Pak-Afghan relations, the maintenance of good relations with other regional neighbors, such as India, Turkey, the Arab States, but some deterioration in ties with Iran.

Our role in all this has been small. While leaders in the region know our interest in regional stability and harmony -- a subject almost always reiterated by U. S. officials at high level bilateral meetings -- the U. S. has deliberately refrained from playing a more active role in bilateral disputes.

Afghanistan is chary of developing really close ties with any of its neighbors. Historic antipathies and suspicions toward Pakistan and Iran (not to mention the Soviet Union) will take decades to dissolve.

U. S. Approaches: We should continue our past policies of encouraging, in low-key ways, the non-communist countries of the region to cooperate more closely. In the long run, this can only benefit our interests here.

Objective D: To encourage Afghanistan to further its rapprochement policy toward Pakistan, especially with respect to resolving the Pushtunistan issue.

Past Performance: The year 1977 saw great improvement in Afghan-Pakistan ties, with Afghanistan refraining from interfering in Pakistan's troubled domestic political situation, such as whipping up the Pushtunistan issue. The visits to Kabul of Prime Minister Bhutto and Chief Martial Law Administrator, General Zia, contributed to the better atmosphere, but more significant from the Afghan point of view were the subsequent release by General Zia of imprisoned Pushtu and Baluch leaders and their reentry into the Pakistan body politic.

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Balanced against those accomplishments and new starts was the stark reality of implementation failure.

Afghanistan Plan targets are not being met. For example, new construction of rural primary schools was not undertaken, on-going construction of basic health centers fell considerably behind schedule, and no construction of rural water structures, roads or bridges was initiated during the last three months of 1977. USAID disbursements reached a decade low point of \$5 million.

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Islamabad) repeated U. S. hopes for improved Afghan-Pak relations, and this may have contributed to the better atmosphere.

U. S. Approaches: Good Afghan-Pak relations serve U. S. interests of regional stability. We should therefore continue our policy of quietly encouraging both sides to settle their differences. Although the U. S. is on record as recognizing the Durand Line, we should refrain from inserting ourselves actively into the Pushtunistan question. Neither Afghanistan nor Pakistan expects us to do so.

Goal II -- Economic and Social Development of Afghanistan, especially as it affects the quality of life of the majority of the Afghan populace.

Objective A: To ensure that USAID programs lead to economic growth with equity, by means of projects focusing on improving the economic and social lot of the poor majority.

Past Performance: While Afghanistan made some economic progress in 1977, the development scene remained essentially the same. Poverty persists, standards of education and health are low, and the capacity of the Government to significantly improve the quality of life seemed as elusive as it has been over preceding years. Development policy and administration are major constraints to progress, and while the Mission saw some hopeful signs, it also saw little significant progress.

For our AID program, 1977 was a mixed year. A major effort in the education sector to complete a revised curriculum and produce a set of indigenous textbooks was completed. In the Helmand Valley, AID committed \$10 million to a drainage project which confirmed the judgment of earlier programs in the potential of that region. AID also initiated important new programs in the area of food security and agricultural credit.

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Past Performance: The Peace Corps has been in Afghanistan since 1962. Since the 1973 coup d'etat, the Afghan Government has with minor exceptions restricted Peace Corps activities to Kabul City itself, and volunteer totals have declined from near 300 to about 100. On October 1, 1977, 72 percent of all volunteers were engaged in English teaching, 14 percent in higher education, 8 percent in health, and 6 percent in vocational and secondary education.

A perennial question for the U. S. Mission has been whether the Peace Corps' presence in Afghanistan is worth the expense to the taxpayer. As the emphasis on English teaching might suggest, few of Peace Corps' activities have directly affected the poor -- but they were not necessarily less valuable because of that. Peace Corp's terms of reference here have been basically two: "to meet human needs: and to place volunteers in sites where the greatest need exists. The Afghans themselves have decided

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U. S. Approaches: If 1977 was a low point in USAID disbursements, the prospects for the future are brighter. Last year's obligation level climbed threefold to \$20 million, a record level in many years, and USAID hopes within five years to raise this further to \$50 million.

The legislative requirement that U. S. aid be focused on non-capital intensive, poor-majority related projects fits well with our political goals, but poses a formidable challenge for the USAID Mission here, given the country's low absorptive capacity.

USAID's strategy will be directed at fashioning a mix of specific project grants and sectoral grants, which will benefit the rural poor. Adoption of a sectoral approach should provide some leverage to bring about economic reforms not possible in a narrower project framework. It should enable us to fix government attention on neglected problems and hopefully will direct increased public investment of those problems.

This combination of direct project activity at the village level and sectoral programs at the national level suggests a different "presence" for AID in Afghanistan. While USAID may no longer be associated with the impressive physical structures of the past (highways and dams), it will hopefully be identified with the substance of development and will be laying a foundation for substantially increased levels in coming years.

Objective B: To use Peace Corps Volunteers in health and social programs directed towards the Afghan poor, as well as in educational projects for Afghans who will be administering services to the poor.

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In terms of USG approaches, we see two avenues for action. One is Washington instructing the U. S. Executive Directors to the Fund and the Bank to support the Staff Recommendations. The other approach, which we intend to follow, is to use our AID Sector grants and PL 480 Title III funds as leverage to bring about desired actions in health, agriculture, and education.

Goal III -- The elimination of illicit narcotics production and trafficking.

Past Performance: In 1977, the Mission's efforts represented a promising start towards achieving this difficult long-term goal. But the start may be the easiest part. Within the Mission, responsibility for the coordination of narcotics matters was elevated to the DCM level, narcotics committees were overhauled, a second agent was added to DLA's one-man staff, and

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that English teaching is the area where Peace Corps can be most useful. Besides such social and development impact this activity might have, English teaching has political benefits for the U. S., since it gives the literate 15 percent of the population exposure to Anglo-American (and Western) culture and concepts.

The Peace Corps impact in Afghanistan cannot be measured with any precision. The Afghans believe the Peace Corps presence is beneficial -- and the Mission concurs.

U. S. Approaches: Notwithstanding the usefulness of English teaching, Peace Corps Kabul plans gradually to reduce such programs from 72 percent to 62 percent by April 1979. Concomitantly, the share of higher education (mostly the preparation of engineers) would grow from 14 percent to 21 percent; as would also to a lesser extent health, vocational and secondary education. Continuing efforts will be made to move more volunteers from Kabul to provincial sites.

Objective C: To encourage Afghanistan to adopt economic development and reform measures recommended by the IMF and IBRD, such as more promotion of the private sector, reducing subsidies on consumer goods for privileged groups, and reversing the decline in real income of government officials.

U. S. Approaches: The July 1977 IMF Article XIV consultation report and the more recent IBRD in-depth (300 plus pages) development report on Afghanistan list many reforms or actions the Afghan Government might adopt to speed economic development. Almost all of these recommendations are endorsed by this Mission, especially the ones mentioned in the above objective.

In terms of USG approaches, we see two avenues for action. One is Washington instructing the U. S. Executive Directors to the Fund and the Bank to support the Staff Recommendations. The other approach, which we intend to follow, is to use our AID sector grants and PL 480 Title III funds as leverage to bring about desired actions in health, agriculture, and education.

Goal III -- The elimination of illicit narcotics production and trafficking.

Past Performance: In 1977, the Mission's efforts represented a promising start towards achieving this difficult long-term goal. But the start may be the easiest part. Within the Mission, responsibility for the coordination of narcotics matters was elevated to the DCI level, narcotics committees were overhauled, a second agent was added to DEA's one-man staff, and

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PARTIAL TRANSCRIPTION - ORIGINAL FOLLOWS

The Mission believes, nonetheless, that though Goal III may prove elusive and total costs prove high, we must devote increased attention and resources to our narcotics programs here. To that end, we have in recent months not only increased our DEA agent staff but have also requested an additional ESO position for narcotics.

Objective A: To work within the framework of the newly formed Joint Commission on Afghan Narcotics Matters to help develop meaningful crop and income substitution programs.

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an additional FSO position (just to handle narcotics) was requested. Also inaugurated was a policy of inserting anti-poppy covenants in selected USAID agricultural agreements. Four such agreements were signed with the Afghan Government.

Further, in 1977, a Joint Commission (Afghanistan, UN and U. S.) on Afghan Narcotics Matters was established and met twice. One of its first actions was to authorize UNFDAC to explore a crop-and-income substitution project in the Upper Helmand Valley. More overseas training, too, of Afghan narcotics officials was arranged.

The narcotics concerns of the U. S. were repeatedly mentioned to the Afghan Foreign Minister and to President Daoud. [REDACTED] (b)(1)(a)(5)

In terms of concrete results, 1977 was nevertheless a mixed bag. There were few signs that the Afghan Government was taking action to reduce illicit opium production; in fact, rough estimates suggest that 1977 may have been a record year. Interdiction of trafficking was observed more in the breech than otherwise, and meaningful statistics of any kind were sorely lacking. Fortunately, there remained no evidence that Afghan-origin opium or heroin has yet reached the U. S.

U. S. Approaches: While this Mission is committed to encourage and help Afghanistan to eliminate poppy production and trafficking, elements in the Mission are skeptical that any amount of effort by the U. S. or international community will make a meaningful dent in the problem as long as demand in Iran, Afghanistan itself, or elsewhere remains unchanged. The eventual dollar cost to eliminate poppies, through income-substitution projects, could also be staggering (well over one billion dollars), with no assurance that such investment will permanently suppress opium cultivation.

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PARTIAL TRANSCRIPTION - ORIGINAL FOLLOWS

Afghanistan is not a transparently oppressed society. Although freedom of the press does not exist, and abuses by the state against individuals occasionally occur, its human rights record is not egregious. There is some freedom of speech. The number of political prisoners, according to Afghan Government sources, is between 110 - 190, out of a population of 13 million.

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Comment: UNFDAC Specialist Michael DeMetre will, this March, present the Joint Commission with a crop and income substitution proposal for the Upper Helmand Valley. Since so much of our future narcotics planning here is dependent on the success of this project, the Mission hopes his proposal is well formulated and worthy of support. (b)(1)(a)(5)

[REDACTED]

It is Mission policy to work with the UN mutually on all narcotics matters.

Objective B: To support the UN program of strengthening the Afghan Government's capability and willingness to combat narcotics trafficking.

Comment: Training opportunities made available by DEA and S/NM, and coordinated with the UN narcotics team here, should continue to be used as the main tool to increase the technical capabilities of GOA narcotics officials.

DEA has also made some proposals to enlarge the UN team in Kabul and to permit larger payments to informants, all of which are to be discussed with the UN within a few months.

Objective C: To improve the ability of the UN narcotics team and the U. S. Mission to obtain more reliable intelligence on opium cultivation and trafficking.

Comment: An intensive study done by the Mission in mid-1977 highlighted the lack of good narcotics information. (b)(1)(a)(5)

[REDACTED]

Goal IV -- The enhancement of human rights in Afghanistan.

Comment: This is a new Mission objective.

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PARTIAL TRANSCRIPTION - ORIGINAL FOLLOWS

Goal V -- An increase in the two countries understanding of each other, their values, interests, and capabilities, by fostering an exchange of views and ideas between Afghanistan and the U. S., through governmental and private channels.

Past Performance: Anti-Americanism is not evident in Afghanistan. Personal relations between Afghans and Americans are generally warm and social contacts fairly easy to make, although the government is chary of totally unregulated exposure of its citizens to foreign influences. This generally good state of relations is probably less a function of American efforts than a manifestation of the few divisive issues between the two countries

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As for U. S. approaches, almost all our programs here involve a substantial human rights element. Our economic aid and Peace Corps programs contribute directly to the "Group Two" elements of human rights. Our USIS programs heighten Afghan consciousness of the "Group One and Three" aspects of human rights. Even our military training programs helps Goal IV by exposing potentially influential Afghan officers to American political values. In the U. S. Mission, we have established a DCM-chaired "Human Rights Council" which will, among other functions, attempt to develop better information on the human rights situation within Afghanistan and to devise programs aimed at improving that situation.

Objective A: To make certain that high levels in the Afghan Government understand the U. S. position on human rights. The Afghan Government should be fully cognizant that the U. S. Government takes human rights conditions into account when considering bilateral and multilateral aid.

Comment: The Mission has done this regularly, most recently when the Ambassador transmitted to the Foreign Minister a copy of the Department's annual human rights report to Congress.

Objective B: To encourage the Afghan Government to implement fully those provisions of the new Afghan Constitution which guarantee human rights.

Comment: The manner and means this is done have to be chosen with care. Last August, President Carter discussed the subject with the new Afghan Ambassador to Washington, and since then similar references to Afghanistan's constitutional provisions have been made by the Ambassador and DCM to high levels of the Foreign Ministry.

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Comment: There has been significant progress this past year. The Afghan Government has substantially improved the quality of its nominees, with less emphasis on family or political ties and more on professional competence. Although our exchange of scholars and persons (30 annually) can never come close to that of the Soviet Union (probably about 150 persons yearly), the Fulbrighters and other visitors from the U. S. have a much higher impact than a simple head count would suggest. Our experience has shown that American scholars tend to be more activist and involved with their Afghan students and peers than their Soviet counterparts. Another positive influence in

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(and governments). Moreover, a sizeable number of the Afghan elite have been educated in Europe or America, and they return with an admiration for Western society and a desire for a continued contact with Westerners.

U. S. Approaches: Our diversified USIS programs, largely limited to Kabul, should be continued. Important elements of these are our Fulbright, International Visitor, library, speaker programs, and on-going highly-targeted press and information programs. Our self-supporting English Language Center has an average enrollment of over one thousand students and is the largest school of its kind in the country. The new Afghan television station is a promising medium for reaching our target audience, and the Afghan Government has solicited U. S. help for programming.

Objective A: To develop among the Afghan elite an understanding of and support for U. S. policies.

Comment: The Mission made fair progress in 1977 in obtaining Afghan understanding of American policies. We had better success in explaining and gaining sympathy for our position on foreign political issues than on economic ones. Afghan comprehension of American political values remained vague, however, among those not in the elite.

Objective B: To increase Afghan comprehension of the political and social values, economic system and cultural vitality of America.

Comment: Washington policy is to focus our information and cultural efforts on selected target audiences, and the Mission endorses this.

Objective C: To foster the exchange of scholars, visitors, and informal communications for the purpose of expanding bilateral ties and building mutual understanding.

Comment: There has been significant progress this past year. The Afghan Government has substantially improved the quality of its nominees, with less emphasis on family or political ties and more on professional competence. Although our exchange of scholars and persons (30 annually) can never come close to that of the Soviet Union (probably about 150 persons yearly), the Fulbrighters and other visitors from the U. S. have a much higher impact than a simple head count would suggest. Our experience has shown that American scholars tend to be more activist and involved with their Afghan students and peers than their Soviet counterparts. Another positive influence in

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Past Performance: In contrast to the previous year, 1977 saw Afghanistan adopt a more favorable UNGA stance on Guam and Puerto Rico. Given this country's non-aligned policy, and its need to maintain those credentials, the Mission believes it did about as well as could be expected toward achieving this objective.

U. S. Approaches: We plan to maintain our efforts to secure favorable Afghan action on U. S. positions.

Goal VII -- Promotion of U. S. exports to Afghanistan.

Objective A: To develop and promote vigorously an export promotion program directed especially to high value sales opportunities.

Past Performance: In 1976 the U.S. exported \$13 million worth of products to Afghanistan. In 1977, our performance was probably about the same. Our share of the Afghan import market is about 8 percent, well below that of the Soviet Union and Japan. About half of the U. S. exports could be sold to be financed, directly or indirectly, by our USAID programs.

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building mutual understanding has been the presence of U. S. AID Technicians who have often demonstrated concern for Afghan needs and provided elite Afghans with increased understanding of America and her people.

Objective D: To make Afghans aware of the interest of the U. S. in Afghanistan.

Comment: Raising the level of Afghan understanding of the American presence in Afghanistan continues to be a central concern of USIS. Last spring a press tour was conducted in the U. S. - sponsored project areas in the Helmand Valley for representatives of all major Afghan media. Currently, a featurette-length film is in advanced stages of production detailing the progress of more than two decades of Afghan-American cooperation in the Helmand Valley region. Also in progress are a two-pamphlet series entitled "Afghan-American Relations" which will offer a retrospective of the variety of people and programs which have brought our countries closer together over the years, and a major photo exhibit showing Americans currently in Afghanistan relating to the needs and interests of the people.

Goal VI -- Support for U. S. positions in international fora.

Objective A: To obtain more favorable votes in UN and other multilateral fora on issues important to the U. S.

Past Performance: In contrast to the previous year, 1977 saw Afghanistan adopt a more favorable UNGA stance on Guam and Puerto Rico. Given this country's non-aligned policy, and its need to maintain those credentials, the Mission believes it did about as well as could be expected toward achieving this objective.

U. S. Approaches: We plan to maintain our efforts to secure favorable Afghan action on U. S. positions.

Goal VII -- Promotion of U. S. exports to Afghanistan.

Objective A: To develop and promote vigorously an export promotion program directed especially to high value sales opportunities.

Past Performance: In 1976, the U. S. exported \$13 million worth of product to Afghanistan. In 1977, our performance was probably about the same. Our share of the Afghan import market is about 5 percent, well below that of the Soviet Union and Japan. About half of the U. S. exports could be said to be financed, directly or indirectly, by our U. S. AID programs.

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U. S. Approaches: The Mission hopes to expand its trade promotion activities this year to include the medium-value sales area. The best possibilities for big-ticket sales lie in wheat, a wide-bodied aircraft to Ariana Afghan Airlines, a satellite earth station, and perhaps a cement plant, and we plan to pursue these vigorously.

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Despite efforts by the Mission to promote high-value sales of American products to Afghanistan, American firms won no large contracts in 1977. World Bank and ADB contracts went elsewhere, and what we thought was our one big sale, a cement plant to the government, was cancelled by the Afghans, after signature, because of delays in financing from Iran. Generally, U. S. business is not interested in exerting much effort to sell to the Afghan market, and few American businessmen visit Afghanistan. Our single most notable commercial success last year was the favorable settlement of some long-standing contract payment disputes of two American companies with the Government. The Embassy played a very active role in this.

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